



FirstMarblehead

Employee  
Code of Conduct  
June 2011



Dear Fellow Employees,

At First Marblehead, integrity is a fundamental corporate value. We are strongly committed to it, and to the ethical conduct, honesty and compliance with law that underlie it. Integrity is vital to our long-term relationships with clients, colleagues and investors, particularly at this time in the history of our Company and industry.

Our Code of Conduct outlines standards for employee conduct. It is intended to raise your awareness about what is expected of each of us, to provide you with guidance if you have questions about what is proper conduct for you or anyone else, and to encourage you to report any ethical, accounting or legal problems that you may confront. Given the variety of situations to which our standards apply, the Code is not intended to provide you with a roadmap for every question that you have or specific concern that may arise. Each of us is expected to use our judgment and common sense in order to comply not only with the letter of the Code but also with its spirit.

Please read the Code carefully and thoroughly, as it has been updated to clarify some requirements as well as to reflect our growing and evolving businesses. You are required to formally acknowledge that you have read the Code, understand it, and agree to abide by it.

The principles of the Code apply to everyone at First Marblehead regardless of job function or seniority. Each of us must do our part to prevent or correct violations and maintain a culture where absolutely nothing compromises our commitment to integrity. I encourage you to discuss any questions or concerns you may have about the Code or any activity at our Company with any member of the Code of Conduct Committee.

Our Code provides a foundation, but the value we get from it depends on your level of dedication to upholding its principles. Please join me in renewing our commitment to protecting and strengthening First Marblehead's reputation for integrity and the trust that our clients, colleagues and investors have placed in each of us.

A handwritten signature in black ink, appearing to read "DM", written over a white background.

Daniel Meyers  
Chairman & Chief Executive Officer

## Code of Conduct Contact Information

Employees are encouraged to contact any member of the Code of Conduct Committee at any time if there are concerns about possible violations of our Code of Conduct.

Code of Conduct Committee  
Member = (M)

Bill Baumer (M)  
Managing Director & Chief Risk Officer

Greg Woods (M)  
Managing Director & General Counsel

Jo-Ann Burnham (M)  
Managing Director, Human Resources

Ken Klipper (M)  
Managing Director & Chief Financial  
Officer

Daniel Meyers  
Chairman & Chief Executive Officer

Peter Drotch  
Chairman – Audit Committee

Outside Counsel  
Wilmer Cutler Pickering Hale and  
Dorr LLP

## Introduction

### **We are all equal under the Code**

At The First Marblehead Corporation (Company), we are committed to upholding the highest standards of honest, ethical conduct. Always. Without compromise. That commitment also reflects our goals to meet and exceed the expectations of our stakeholders – those groups of people with a vested interest in the success of our Company.

Our Code of Conduct (Code) summarizes the shared values and behaviors we must exhibit in all of our business transactions and interactions with our key stakeholders, including customers, fellow employees, business partners, suppliers, shareholders, government regulators and communities.

Our Code applies equally to all employees, officers and on-site contractors and vendors. In addition, we expect our other vendors and business partners to uphold our ethical standards and values. Compliance with our Code, Company policies and procedures, and applicable laws and regulations is a responsibility that we take seriously, and we will hold each other accountable in meeting that responsibility.

### **Our leaders and managers are expected to serve as ethical role models.**

They are expected to be familiar with our Code and effectively communicate its importance and guidelines and answer the questions of those who report to them.

Leaders and managers also have an obligation to create a positive work environment in which Company personnel feel comfortable asking questions or reporting concerns. Leaders and managers who fail to meet this responsibility or who do not act promptly to report suspected misconduct will be subject to disciplinary action that may include termination.

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## Raising and Reporting Ethical Issues

### What to do when you think something is wrong

If you believe that any employee, officer, director or anyone working on our behalf may have engaged in ethical or legal misconduct, it is your responsibility to promptly report the matter to your manager or any member of the Code of Conduct Committee (see the list and contact information at the end of this document). Doing so helps us to address issues and prevent future misconduct.

Suspected Code violations can be reported to anyone on our Code of Conduct Committee, or call **our toll-free HOTLINE, 866-709-9950**, or e-mail [CodeOfConduct@fmd.com](mailto:CodeOfConduct@fmd.com), where you can leave a message about any suspected violation. While we prefer that you identify yourself when reporting suspected violations so that we may follow up with you, you may leave messages anonymously.

**We will promptly and thoroughly investigate complaints** to determine whether violations have occurred and if so, how to effectively address them. Disciplinary measures for violations may include, but are not limited to:

- reprimands
- warnings
- probation or suspension without pay
- demotions
- reductions in salary
- restitution
- termination of employment

### Certain violations may require external reporting

Certain violations of our Code may require us to refer the matter to the appropriate governmental or regulatory authorities for investigation or prosecution.

We may also be required to report particular violations to clients, and the clients may report the violation to appropriate regulators. Employees, officers and directors are expected to cooperate fully with any inquiry or investigation by the Company regarding an alleged violation of our Code. Failure to cooperate with any such inquiry or investigation may result in disciplinary action up to and including discharge.

If the alleged violation involves an executive officer, then the Board of Directors and the Chief Executive Officer (but only to the extent that the CEO is not involved in the alleged violation) will determine whether a violation of our Code has occurred and, if so, will determine the disciplinary measures to be taken.

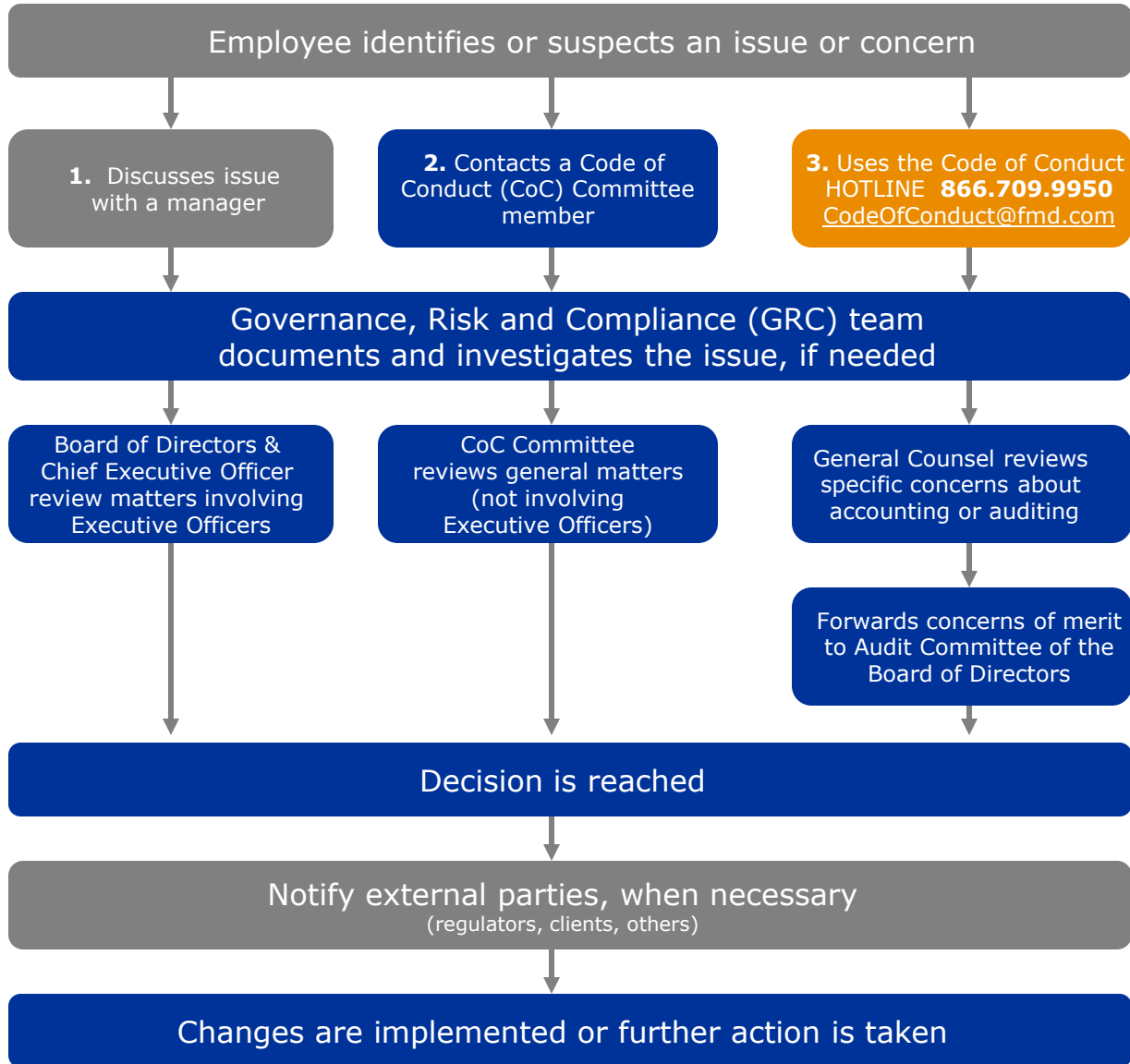
While we prefer to coordinate matters internally, nothing in our Code should discourage you from reporting any illegal activity, including any violation of securities laws or any other federal, state or foreign law, rule or regulation, to the appropriate regulatory authority.

### **You are protected**

Employees, officers and directors will not fire, demote, suspend, threaten, harass or in any other manner discriminate or retaliate against a person because he or she reports a violation, unless it is determined that the report was made with knowledge that it was false. Our Code does not prevent you from testifying, participating or otherwise assisting in any state or federal administrative, judicial or legislative proceeding or investigation.

## Reporting Process

### You have three options for reporting a violation:



**If the alleged violation involves a member of the Code of Conduct Committee**, that member will not participate in the investigative process. In addition, suspected violations involving a member of the Audit Committee may be reported to WilmerHale LLP, our outside counsel. All contact information is included on the last page of this Code.

## Concerns about Accounting or Auditing Matters

### Reporting your concerns

If you become aware of an actual or potential problem with our accounting, internal accounting controls or auditing matters, please raise your concerns immediately, by using the reporting process on page 6, by contacting the Chairman of the Audit Committee directly or by contacting WilmerHale LLP, our outside counsel, (617) 526-6000.

All concerns of merit will be forwarded to the Audit Committee, and a record of all complaints and concerns received will be provided to the Audit Committee each quarter. Again, you may report any concerns regarding accounting or auditing matters confidentially and anonymously.

### Working with Independent Auditors or Regulators

We are expected to cooperate completely and provide all information requested in any internal or external investigation, audit or regulatory inquiry. This requires us to provide accurate and complete information to these parties when requested.

- No one may directly or indirectly make, or cause to be made, a false or misleading statement.
- No one may omit to state, or cause another person to omit to state, any material fact in connection with any audit review, examination or investigation.
- No one may directly, or indirectly, take any action to coerce, manipulate, mislead or fraudulently influence any independent public or certified public accountant engaged in the performance of an audit or review of our financial statement.

## Reporting Company Information

### **Compliance with all laws, rules and regulations is vital**

We report corporate and business data to a number of regulatory agencies, including the Securities and Exchange Commission, the Internal Revenue Service and the New York Stock Exchange, in addition to the financial and educational institutions and other enterprises with which we do business. The accuracy and integrity of this information is critical to maintain our marketplace reputation and business model.

It is the responsibility of each one of us to comply with all laws, rules and regulations applicable to our business, as well as our Code and Company policies.

### **You are responsible for the accuracy of books, records and public reports**

Because our regulators, shareholders and other business partners rely on the detailed information contained in our business records, we must make sure that the information we provide is accurate, timely and complete. You are responsible for the accuracy of the records and reports you create and/or review. Accurate information is essential to our ability to meet our legal and regulatory obligations.

All of our books, records and accounts must be maintained in accordance with all applicable regulations and standards and accurately reflect the true nature of the transactions they record.

### **Financial Statements**

Our financial statements must conform to generally accepted accounting principles, as well as our accounting policies and internal control procedures.

- No undisclosed or unrecorded account or fund can be established for any purpose.
- No false or misleading entries can be made in our books or records for any reason.
- No disbursement of corporate funds or other corporate property can be made without adequate supporting documentation.
- It is our policy to provide full, fair, timely and understandable disclosure in reports and documents filed with, or submitted to, our regulators and in other public communications.

## Protecting Company Assets

### Protection of Our Company Assets

We are all trusted to respect and safeguard Company property, which includes both physical and intangible assets. We must be diligent and work together to prevent identity theft, destruction or misappropriation of Company property, including our physical property, consumer information, proprietary client information, confidential and proprietary internal information and intellectual property.

### Protecting Physical Assets

At all times we must protect Company facilities, equipment and supplies from theft, loss, damage or misuse. Company issued portable devices, such as BlackBerrys or laptops, should be used for acceptable work-related purposes.

### Protecting Intellectual Property

We also have an obligation to protect our intangible assets. Intellectual property refers to those intangible assets of the Company which include business methods, inventions, publications, patents, copyrights and trademarks. We were all asked to sign a non-disclosure agreement when we were hired. These signed agreements are kept in Human Resources and represent each of our individual commitments to protect our intellectual property. In addition, it is our policy to respect the intellectual property of others and to adhere strictly to all relevant laws and regulations regarding the patents, trademarks or copyrights owned by others.

**Q**

John & Joe are on the T after work discussing their day. John brings up comments made by management at a Town Hall meeting held earlier in the week. He is interested in knowing Joe's thoughts on certain statements about stock options and pending clients, which John names, that were confidentially made to employees at the meeting. How should Joe respond?

**A**

Without drawing further attention to John's specific statements, Joe should make clear to John that the timing and setting are inappropriate for the conversation. John's public statements are in breach of his confidentiality obligations under our Code and are especially inappropriate if he is wearing anything identifying him with First Marblehead (fleece, name badge, computer bag or other item).

## Protecting Information

### Consumer information

We are all required to comply with the privacy policy applicable to the customer relationships that we facilitate. In addition, federal and state law and contract requirements impose strict rules protecting consumer information.

All consumer data is confidential. Individual department policies define personnel who are authorized to access consumer data, and only authorized personnel with a need to know are permitted access.

Unauthorized access to consumer data is prohibited. Consumer data may only be used and disclosed to third parties in accordance with applicable law and applicable contractual requirements and restrictions.

All consumer data, such as personal data provided to us by or about loan applicants and borrowers, must be safeguarded against unauthorized access in accordance with our **Information Security Policy**. If you have any questions concerning access to, use of, or safeguarding of consumer data, contact our Chief Risk Officer.

### Company information

Proprietary and confidential information is generally not available to the public and includes internal business information, such as contract documentation, business processes, and corporate strategies and plans.

We must maintain the confidentiality of proprietary and confidential information entrusted to us by the Company or other companies, including our suppliers and clients, except when disclosure is authorized by a manager or is legally mandated.

Unauthorized disclosure of any proprietary or confidential information is prohibited. In addition, you should take appropriate precautions to ensure that confidential or sensitive business information, whether it is proprietary to us or another company, is not communicated within the Company except to authorized personnel or outside parties who need this information for legitimate business purposes.

You may find yourself in a position where a third party asks you for information concerning the Company. You must not discuss internal Company matters with anyone outside the Company, except as required in the performance of your duties and after a confidentiality agreement is in place. You must use the Company's assets only for legitimate business purposes and not use them for any personal benefit or for the benefit of any third party.

**If you are unsure whether or not you should share information with a third party, contact your manager or the General Counsel for guidance.**

### Client information

We are all responsible for protecting the confidentiality and security of our clients' proprietary and confidential information. Unauthorized disclosure of client information to third parties, or internal parties not having a need to know the information, is prohibited. We must take care to safeguard client information and to ensure that client information is communicated within the Company only to the extent that employees, officers or directors with a need to know are able to perform their duties. **This obligation continues even after our employment with the Company ends.**

## Protecting Information

### **Send requests for company information to Investor Relations**

To further protect the Company's information and make certain that it is released to the public in a manner that is both accurate and consistent, only designated spokespersons may communicate with the public on behalf of the Company. This applies particularly to requests from the media, market professionals (including securities analysts, institutional investors, investment advisors, brokers and dealers) and security holders.

**If you receive any requests, you must decline to comment and refer the inquirer to Investor Relations:  
800-895-4283 or [info@fmd.com](mailto:info@fmd.com)**

### **Our employees' personal information deserves protection too**

Just as we are committed to maintaining the privacy and confidentiality of our Company and client information, we are also committed to maintaining the privacy and confidentiality of our employees' personal information.

Employment information or medical records must not be shared or discussed inside or outside of the Company except as authorized by the employee or officer or as is required by law. Within the Company access must be limited only to those who have a substantial and legitimate need to know the information or who require information due to legal process.

## Gifts and Entertainment

### Before accepting a gift, check the guidelines

In the course of our work with clients and to build or strengthen good working relationships, it may be acceptable to give gifts or entertainment to, or accept gifts or entertainment from, suppliers, vendors or business partners. However, good judgment, discretion and moderation should always be guides in these situations. We may never solicit, accept or give gifts or entertainment that may influence or be perceived to influence business decisions.

You must not accept, or permit any member of your immediate family to accept any gifts or gratuities from any client, supplier, vendor or other person doing or seeking to do business with the Company, other than items of insignificant value (<\$50 in total from anyone in any calendar year).

Any gifts you receive that are of significant value (>\$50) should be returned immediately and reported to your manager and the General Counsel. If immediate return is not practical, the gift should be given promptly to the Company for charitable donation or such other disposition as the Company believes appropriate.

If you are unsure about whether a gift or specific event is in compliance, please ask your manager or a member of the Code of Conduct Committee for guidance.

**Q**

A vendor has offered Tim two tickets to a Celtics playoff game. The vendor cannot make the game but told Tim to take a friend and enjoy himself. Can Tim accept the tickets?

**A**

No. Since the vendor is not accompanying Tim to the game, the tickets are really a gift and not business entertainment. The Company limit for accepting gifts without approval is less than \$50. Tim cannot accept the tickets.

**HOTLINE****CodeOfConduct@fmd.com | 866.709.9950**

## Gifts and Entertainment

### Before you give to others, consider how it may be perceived

Gifts, gratuities or other favors from you to clients, suppliers, vendors or other persons doing or seeking to do business with us that are of insignificant value (<\$50 in total to anyone in any calendar year) are permitted if made in compliance with the terms of this paragraph.

All gifts, gratuities or other favors of significant value (>\$50 in total to any party in any calendar year) from you to clients, suppliers, vendors or other persons doing or seeking to do business with us are prohibited unless approved in advance by the General Counsel.

Bribes and kickbacks are criminal acts, **prohibited by law**. You must not offer, give, solicit or receive any form of bribe or kickback anywhere in the world where we conduct business.

All gifts, gratuities or other favors, regardless of value, are prohibited if:

- not made in compliance with applicable law and our Code or policies to which the recipient may be subject, or
- given in consideration or expectation of any action by the recipient, or
- given to government officials.

Requests for exceptions should be submitted to the General Counsel.

### What's reasonable (<\$50)

- A bottle of wine of reasonable value from a client or vendor
- Tickets to a local sporting or cultural event with a value of less than \$50
- An unsolicited gift of modest value given by a vendor
- Modest gifts of gratitude or to acknowledge personal events such as weddings, births or anniversaries

### What's excessive (>\$50)

- A case of fine wine
- Front row tickets to a professional sports team playoff game
- A golf outing which includes tee time, hotel and other accommodations
- Cash, gift cards or other stored value products that are similar to cash
- A lavish gift, such as a leather briefcase, fine jewelry or art

## Fair Dealing and Conflicts of Interest

### We are committed to dealing fairly with other businesses

Our actions in the marketplace define who we are as a company. We support vigorous yet fair competition. We not only have a responsibility to the regulatory, client and shareholder communities, but we also have an obligation to deal fairly and responsibly with our suppliers and competitors.

Fair dealing requires that we recognize and strive for the highest standards of honesty and integrity in the business community. We concentrate on anticipating and satisfying the needs of our clients and customers. While we will vigorously compete in the marketplace each and every day, we will not seek to restrict the competitive opportunities of our rivals in any way that may be considered deceitful or unethical.

### Avoid conflicts of interest

A "conflict of interest" is defined as engaging in an activity in which you have a personal interest that intersects with or interferes with the interests of the Company. A conflict of interest can arise whenever you take action or have an interest that prevents you from performing your duties and responsibilities honestly and objectively.

You must act in the best interests of the Company and may not engage in any activity or have a personal interest, like a substantial financial investment, that presents a conflict of interest. For these reasons you may not perform services as a consultant, employee, officer, advisor or in any other capacity for, or have a financial interest in, a competitor of the Company, other than services performed at our request, a financial interest representing less than one percent (1%) of the outstanding shares of a publicly-held company or as may otherwise be approved by our Board of Directors.

**Q**

Mike runs a small home business selling magazine subscriptions. He does most of his work on weekends and it in no way conflicts with his performance at work. Recently, Mike has been eating lunch at his desk and using his First Marblehead computer to process pending orders. The Code says limited personal use of Company equipment is OK. Is this limited activity acceptable?

**A**

No. Under our Code, engaging in any activity which potentially interferes with the interests of the Company presents a conflict of interest. Our Company's digital resources are used for business purposes, and personal use, especially in today's resource and content rich website environment, does strain the system. Mike must run his "home" business from home.

In addition, no one may use his or her position with our Company to influence a transaction with a supplier or client in which such a person, or an immediate family member, has any personal interest, other than a financial interest representing less than one percent (1%) of the outstanding shares of a publicly-held company.

You are responsible for immediately disclosing any material transaction, or personal or financial relationship that might reasonably be expected to create a conflict of interest to the General Counsel. If you are a senior manager, you are also responsible for reporting such a transaction or relationship to the Board of Directors, which will be responsible for determining whether the transaction or relationship constitutes a conflict of interest.

## Compliance with the Law

In addition to the regulatory requirements regarding the disclosure of Company financial information, we are also subject to federal, state and local laws that govern the way we do business. You are expected to use good judgment and common sense in complying with all applicable laws, rules and regulations. If you are in doubt, ask for advice and guidance from your manager, General Counsel or the Chief Risk Officer.

### Inside information and insider trading

In the course of your employment with us, you may come into possession of inside information. "Inside information" is non-public information about the Company or other companies with which we have a relationship that, if publicly disclosed, might be of use to our competitors, or otherwise harmful to us or our clients. Material inside information about a company is inside information that would be considered important by a reasonable investor in determining whether to buy, sell or hold securities of that company. Information concerning any of the following subjects, or our plans with respect to any of these subjects could be considered to be material inside information:

- our revenues or earnings
- our capital markets activities
- a new product offering or a significant development with regard to an existing one
- the establishment, modification or termination of agreements with business partners or strategic partners
- the loss of, delay or gain of a significant contract regarding our clients
- a merger or acquisition involving us
- a change in our control or a significant change in our management
- a change in or dispute with our auditors

**This list is illustrative only.** There are many other circumstances that could give rise to material inside information.

**Q**

Stephen knows about a potential business development that will likely make our Company's stock price rise. He knows that he cannot trade on this information but wants to tell his friend this information and encourage him to buy shares of the Company's securities. Can Stephen do this?

**A**

No. The potential business development is considered material nonpublic information. If Stephen shares this information with his friend, he would be engaging in tipping, which violates our Code and the Company's Insider Trading Policy. Stephen and his friend might also be subject to criminal penalties for violating insider trading laws.

### Ask before you trade

If you have material inside information about us or other companies, including our suppliers and clients, as a result of their relationship with us, you are prohibited by law and Company policy from trading in our securities or those of other such companies, as well as communicating such information to others who might trade on the basis of that information.

Buying, selling or tipping (disclosing inside information to someone who trades a security based on the information you provided) violates not only our policy but the laws of many countries. Violations may carry both civil and criminal penalties for those involved. If you are in doubt, ask for guidance from your manager, the General Counsel or the Chief Risk Officer.

## Respect for the Individual

### We should respect and value one another

We strive to maintain a workplace that allows everyone to contribute at the highest level in an atmosphere that fosters growth and innovation. In our daily decisions and actions, we should all be responsible for maintaining a workplace that is free of harassment and discrimination and that promotes respect for individuals.

We make employment, pay and promotion decisions without regard to race, color, religion, gender, age, national origin or ancestry, sexual orientation or other protected class status. The Company is committed to full compliance with all anti-discrimination laws, including state and federal laws against discrimination and harassment in employment, the Americans with Disabilities Act and the guidelines under the Massachusetts Commission Against Discrimination and the Equal Employment Opportunity Commission. *(Please refer to the First Marblehead Employee Handbook for additional information on your rights under these laws.)*

### Harassment and discrimination are not tolerated

We are committed to maintaining a workplace that is free of harassment and discrimination. "Harassment" includes offensive behavior that interferes with another individual's work environment or that has the purpose or effect of creating an intimidating or hostile work environment. Harassment may include conduct done physically or verbally, or done in person or by other means. It may also include conduct that is sexual in nature or otherwise inappropriate. To that end, we are committed to upholding the existing laws regarding sexual harassment and equality of employment opportunities. We will not tolerate retaliation against an individual who reports sexual or other forms of harassment or discrimination. Retaliation is unlawful.

**Q**

Linda feels harassed by her manager, Justin. He frequently makes improper comments about her appearance when alone, making her uncomfortable. Linda has told Justin his comments bother her on more than one occasion, but he has not changed or stopped the behavior. What should she do?

**A**

Linda should report Justin's conduct to Human Resources or a member of the Code of Conduct Committee immediately. Justin's actions are unwanted and violate the Code and our Company's policy against harassment. The harassing behavior will not be tolerated.

**"Sexual harassment"** is defined by Massachusetts law as requests for sexual favors, and other verbal or physical conduct of a sexual nature when submission to or rejection of such advances, requests or conduct is made either explicitly or implicitly a term or condition of employment or as a basis for employment decisions; or when such advances, requests or conduct have the purpose or effect of unreasonably interfering with an individual's work performance by creating an intimidating, hostile, humiliating, or sexually offensive work environment. Discrimination on the basis of sex includes, but is not limited to, sexual harassment.

We will investigate all complaints of sexual or other harassment and take appropriate disciplinary or corrective action when necessary. For further information on how to initiate a complaint or investigation, please see the First Marblehead Employee Handbook, or call the **HOTLINE**.

## Workplace Policies

### Employee Safety and Health

Our greatest asset is you, so we are committed to the highest standards of your safety and protection. In addition to maintaining a harassment-free environment, we are also committed to a drug- and violence-free workplace.

Workplace violence includes intimidation, threats, physical attack or property damage directed at a fellow employee, officer or director. Anyone who engages in these behaviors may be subject to disciplinary action up to and including termination.

**No illegal drugs or alcohol on the job.** In addition, the Company is committed to fostering the health and well-being of all of us. That commitment is jeopardized when someone uses illegal drugs or alcohol on the job, comes to work with these substances present in his or her body or possesses, sells or distributes drugs in the workplace.

It is a violation of our policy and our Code for anyone to possess, sell or trade or offer for sale illegal drugs or otherwise engage in the illegal use of drugs, intoxicants or alcohol on the job. Anyone who engages in the behaviors outlined may be considered in violation and may be subject to disciplinary action, up to and including termination.

### Report violence promptly:

If you know of actual or potential workplace violence, call or e-mail the **HOTLINE**. If you believe someone is in immediate danger dial 911 and contact building security:

**Medford Security:** (781) 396-2559  
**Prudential Security:** (617) 236-3114

### Political activities and contributions

You are encouraged to exercise your rights as voters and citizens. However, political activity must take place on your own time and you may not use Company resources or assets directly or indirectly for any political activities, except as otherwise approved by the Board of Directors or in connection with your job responsibility. You may not allow your status as an employee or officer to be used in support of a particular political candidate or issue, except if approved by the Board of Directors or in connection with your job responsibilities.

In addition, you may not pressure, either directly, or indirectly, employees, officers or directors to make political contributions or to participate in support of a political party, issue or candidate. Finally, corporate funds or assets may not be used to support a political party, an elected official or the campaign of any candidate for local, state or federal elected office.

## Workplace Policies

### Responsible use of e-mail and the internet at work

Systems facilitating access to e-mail and the internet are Company resources that are provided primarily for business use, so you need to exercise good judgment in using these assets. All e-mails and documents residing on Company systems are the property of the Company and employees, officers and directors should have no expectation of privacy.

Any use of e-mail or internet access for inappropriate purposes, including gaining access to pornographic or other unsuitable websites, is strictly prohibited. In addition, employees, officers and directors are legally responsible for their blog and social network postings and may be subject to liability if contents are found to be defamatory, harassing or in violation of any applicable law. It is expected that e-mail, internet, and social media usage is business appropriate and is in compliance with the Information Security Policy.

### Working together to protect the environment

We are firmly committed to protecting the environment. We comply with all applicable environmental laws and regulations, as well as any guidelines set forth by the Company. Our commitment means that we must operate with respect for the environment by working to minimize environmental hazards, conserve and protect natural resources, and manage our energy usage.

We encourage individuals to do their part too. We should recycle, turn off lights and computers when they are not in use, and take public transportation whenever possible. If you have ideas, please share them with your manager or e-mail: [facilitiesgroup@fmd.com](mailto:facilitiesgroup@fmd.com).

**Q**

Samantha notices that several individuals who sit near her regularly play games and watch movies on their Company computers. She finds out that some of the websites these individuals are accessing are restricted and should be blocked by the Company's internet filtering tools. When testing access to these websites from her work computer, Samantha was redirected and received a message saying the websites were blocked. What should Samantha do?

**A**

Samantha should report her concerns to her manager or any member of the Code of Conduct Committee and she can choose to do so confidentially. The situation will be investigated. If it is determined that individuals intentionally bypassed security controls allowing them access, they will be disciplined. Further, any retaliation against Samantha for reporting this information will not be tolerated.

**HOTLINE****CodeOfConduct@fmd.com | 866.709.9950**

## Supporting Our Code of Conduct

### We have to work together to uphold the Code

Our Code not only outlines our operating responsibilities and guidelines; it is an agreement that we share about the ethics and values which guide our business actions and decisions. We are all responsible for upholding and enforcing it.

If you develop any questions or concerns about ethical behavior in our workplace we encourage you to raise them or report them.

### Waivers of the Code

While most of the requirements contained in our Code must be strictly adhered to, in some cases exceptions may be possible. If you believe that an exception to any of these requirements may be appropriate, you should first contact your manager. If your manager agrees that an exception is appropriate, the written approval of the General Counsel must then be obtained. The General Counsel is responsible for maintaining a record of all requests for exceptions to any of these requirements and the disposition of the requests.

Any executive officer who seeks an exception to any of these requirements should contact the General Counsel. Any waiver of our Code for executive officers must be made only by the Board of Directors of the Company and will be disclosed as required by the law or regulation.

### As First Marblehead employees, we agree:

- To prepare and maintain accurate business and financial reports
- Not to mislead or inappropriately influence auditors or regulators
- To protect the confidential information and intellectual property of our company, clients and partners and to keep private consumer information secure
- Not to give or accept inappropriate gifts (generally gifts of >\$50 per year)
- To use company resources—especially e-mail and internet—only for appropriate purposes
- To deal fairly with business partners, vendors and competitors
- Not to engage in insider trading or any other illegal activities
- To maintain a safe workplace